

Individual State Agency Fiscal Note

Bill Number: 1018 HB	Title: Boater education	Agency: 465-State Parks and Recreation Commission
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT	FY 2022	FY 2023	2021-23	2023-25	2025-27
Boating Safety Education Certification Account-Non-Appropriated 09B-6	1,228,000	1,228,000	2,456,000	2,456,000	1,282,000
Total \$	1,228,000	1,228,000	2,456,000	2,456,000	1,282,000

Estimated Operating Expenditures from:

	FY 2022	FY 2023	2021-23	2023-25	2025-27
FTE Staff Years	1.0	1.0	1.0	1.0	1.0
Account					
Boating Safety Education Certification Account-Non-Appropriated 09B-6	778,200	662,500	1,440,700	1,325,000	688,500
Total \$	778,200	662,500	1,440,700	1,325,000	688,500

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- ☒ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☒ Requires new rule making, complete Part V.

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Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

HB 1018 makes changes to boater education card requirements. This legislation would have both expenditure and revenue impacts to State Parks as the administrators of the Boating Education Program.

Section 2 (j) would remove the exemption of folks born before 1955 from getting a boater's card. The metric of impact would be the number of Washingtonians that have registered vessels (who were born before 1955) that would need to obtain a boater's card.

Section 2 (1) would mandate education for operators of human powered boats and vessels. The State Parks Commission (Boating Program) would potentially be administering close to 600,000 new boaters' cards for human powered paddling under this subsection. The agency would potentially recommend a phase-in approach over the course of the next five years.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

Sec 2 (1) Would mandate education for operators of human powered boats and vessels.

Impact: The Recreation Conservation Office (RCO) estimates that 23% of Washington's population (1,700,000 people) participated in paddle sports (canoes, kayaks, and stand-up paddle boards) in 2016. The Office of Financial Management (OFM) forecasts Washington's population to increase from 7.6 million to 8.3 million in the next decade. Parks assumes that 23% of the current population (7,656,200 people) plus the estimated population increase (70,000 per year) of Washington State continues to participate in paddle sports and it assumes that 1 out of 3 people of that 23% would take the education course and get certified with a Boater's Card for human powered watercraft. It is also assumed that the boaters education card fee will remain at \$10.

Current Population Boater Card Estimate	$7,656,200 \times 23\% = 1,761,000 \times 33\% = 587,000 \times \$10 =$
\$5,870,000 / 5 = \$1,174,000/year for five years (phase in)	
Estimated Population Increase Boater Card Estimate	$700,000 / 10 = 70,000 \times 23\% = 16,100 \times 33\% = 5,400 \times$
\$10 = \$54,000/year ongoing	

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

The Recreation Conservation Office (RCO) estimates that 23% of Washington's population (1,700,000 people) participated in paddle sports (canoes, kayaks, and stand-up paddle boards) in 2016. The Office of Financial Management (OFM) forecasts Washington's population to increase from 7.6 million to 8.3 million in the next decade. Parks assumes that 23% of the current population (7,656,200 people) plus the estimated population increase (70,000 per year) of Washington State continues to participate in paddle sports and it assumes that 1 out of 3 people of that 23% would take the education course and get certified with a Boater's Card for human powered watercraft.

Current Population Boater Card Estimate $7,656,200 \times 23\% = 1,761,000 \times 33\% = 587,000$ boater cards / 5 = 117,400 boater cards/year for five years (phase in)
 Estimated Population Increase Boater Card Estimate $700,000 / 10 = 70,000 \times 23\% = 16,100 \times 33\% = 5,400$ boater cards/year (ongoing)

Annual and one-time costs associated with the distribution of more than 120,000 boaters education cards per year over initial five year period (phase in):

Education/Outreach Costs

Card printing cost – \$1,110,000. (\$222,000 annually)
 Card Processing cost - \$960,000. (\$192,000 annually)
 IT improvement – \$25,000. – one time
 Staff - \$500,000 – (\$100,000 annually)
 Advertising/Marketing - \$500,000 – (\$100,000 annually)
 Educational Material Printing - \$175,000 – (\$35,000 annually)
 Mailings - \$7,500 – (\$1500 annually)
 Instructor Training - \$50,000 – (\$10,000 annually)
 Rental Checklists - \$15,000 – one time
 Rental Checklist mailing - \$3,500 - onetime
 Long distance calls/cell - \$10,000 (\$2000 annually)
 Total - \$3,356,000 (split over 5 years)

Marine Law Enforcement Costs

Paddle craft Instructor - \$3,275
 BMLE Instructor Update - \$25,545
 Produce new BMLE Module - \$5,900
 IT Support - \$6,080
 Court Administrator - \$369
 WSP SECTOR updates - \$7,460
 Campaign Development - \$2,150
 Printing & Shipping - \$2,500
 RBS Officer Updates - \$18,830
 Total - \$72,109 (one-time cost)

Total estimated expenses for 5 years (phase in) to administer program = \$3,428,200

Annual costs associated with the distribution of approximately 5,400 boaters education cards per year during year 6 and beyond:

Card Printing Cost - \$10,200
 Card Processing Cost - \$8,800
 Advertising/Marketing - \$4,600
 Educational Material Printing - \$1,600
 Mailings - \$100
 Instructor Training - \$500
 Long Distance Communications - \$200

Total estimated expenses for year 6 and beyond to administer program = \$26,000

Assumptions are derived from current costs of administering the boater's card. Assume \$100,000 annual budget to promote the new regulation. Staff assumption would be adding 1 FTE at a \$500,000 cost over 5 years. The RCO recommendation in it's 2019 legislative report of Recreation Assets of Significance in Washington State, recommended that WA state have a paddle sport ombudsman. The Boating Program would hire a paddle sports coordinator to assist in the administration of the human powered watercraft education program.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2022	FY 2023	2021-23	2023-25	2025-27
09B-6	Boating Safety Education Certification Account	Non-Appropriated	778,200	662,500	1,440,700	1,325,000	688,500
Total \$			778,200	662,500	1,440,700	1,325,000	688,500

III. B - Expenditures by Object Or Purpose

	FY 2022	FY 2023	2021-23	2023-25	2025-27
FTE Staff Years	1.0	1.0	1.0	1.0	1.0
A-Salaries and Wages	70,000	70,000	140,000	140,000	70,000
B-Employee Benefits	30,000	30,000	60,000	60,000	30,000
C-Professional Service Contracts	9,400		9,400		
E-Goods and Other Services	668,800	562,500	1,231,300	1,125,000	588,500
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	778,200	662,500	1,440,700	1,325,000	688,500

III. C - Operating FTE Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2022	FY 2023	2021-23	2023-25	2025-27
Program Specilaist 4	70,000	1.0	1.0	1.0	1.0	1.0
Total FTEs		1.0	1.0	1.0	1.0	1.0

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Identify acquisition and construction costs not reflected elsewhere on the fiscal note and describe potential financing methods

NONE

IV. D - Capital FTE Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part IVB*

NONE

None.

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

WAC 352-78-020. (definition of “human Powered Boats and Vessels”) would need to add from Sec. 1 (34)

WAC 352-78-110. Removing (11) Any person born before 1955.

WAC 352-78-050. There would need to be an addition that “no person shall operate a human powered boat or vessel” without obtaining a boater’s education card.

WAC 352-78-090. There would need to be a new rule added for guidance to rental operators for human powered watercraft.

WAC 352-78-100. There would potentially be a new phase-in approach added for the human powered boater’s card.